



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

MARK A. EMKES
COMMISSIONER

FOR IMMEDIATE RELEASE
THURSDAY, MAY 9, 2013

CONTACT: DAVID THURMAN
615-741-4806

APRIL REVENUES

NASHVILLE – Tennessee revenue collections continued their positive growth trend in April with a net growth of 9.31% over April collections one year ago. Finance and Administration Commissioner Mark Emkes reported today that overall April revenues were \$1.5 billion or \$160.9 million more than the state budgeted.

Total collections in April marked the ninth consecutive positive growth month this fiscal year. Corporate Franchise and Excise taxes and collections from the Hall Income Tax contributed substantially to the large over collection in April. Sales tax collections, however, recorded the second negative growth month this year.

“We expect one very large Franchise and Excise tax month remaining in this fiscal year, but with sales tax collections performing below budgeted expectations, we need to closely watch our revenue and expenditure patterns,” Emkes said. “National economists are warning states not to get overly confident during peaks of the slow recovery, so we are going to continue conservative budgeting to maintain stable financial conditions.”

On an accrual basis, April is the ninth month in the 2012-2013 fiscal year.

The general fund was over collected by \$142.8 million, and the four other funds were over collected by \$18.1 million.

Sales tax collections were \$5.8 million less than the budgeted estimate for April. The April growth rate was negative 0.70%. For nine months revenues are under collected by \$38.9 million. The year-to-date growth rate for nine months was positive 1.48%.

Franchise and excise taxes combined were \$111.3 million above the budgeted estimate of \$360.8 million. For nine months revenues are \$267.8 million over the budgeted estimate. The year-to-date growth rate August through April was positive 13.42%.

Hall Income tax collections for April were \$46.6 million more than the budgeted estimate. For nine months collections are \$49.3 million above the budgeted estimate. The growth rate for the nine month period was positive 46.29%.

Inheritance and estate tax collections were \$2.3 million below the April estimate. For nine months collections are \$10.5 million above the budgeted estimate.

Privilege tax collections were \$7.9 million more than the April budgeted estimate, and for nine months collections are \$25.7 million above the budgeted estimate. The year-to-date growth rate for the nine month period was 15.67%.

Gasoline and motor fuel collections for April increased by 6.69%, and were \$0.6 million more than the budgeted estimate. The growth rate for nine months was negative 0.49%, and collections are \$14.6 million below the budgeted estimate of \$631.0 million.

Tobacco tax collections were \$3.8 million over the budgeted estimate of \$22.3 million. For nine months revenues are under collected in the amount of \$6.9 million.

All other taxes for April were under collected by a net of \$1.2 million.

Year-to-date collections for nine months were \$288.1 million more than the budgeted estimate. The general fund was over collected by \$284.4 million and the four other funds were over collected by \$3.9 million. The FY 2013 revised budget assumed an over collection of \$305.9 million in General Fund Taxes. Therefore, the amount of under collection, August through April, compared to what's in the revised FY 2013 budget is \$21.5 million (\$284.4 million minus \$305.9 million).

The budgeted revenue estimates for 2012-2013 are based on the State Funding Board's consensus recommendation of December 19th, 2011 and adopted by the second session of the 107th General Assembly in April 2012. They are available on the state's website at <http://www.tn.gov/finance/bud/budget.html>.

The State Funding Board met on December 14, 2012 to hear updated revenue projections from the state's various economists. The board met again on December 19th and adopted revised revenue ranges for 2012-2013. The revised ranges assume an over collection from the July 2012 budgeted estimate in the amount of \$203.0 million to \$287.3 million in total taxes and in the amount of \$224.2 million to \$305.9 million in general fund taxes for the current fiscal year.

Table 1
Revenue Collections by Fund
April
2012-2013

Fund	2013				2012	2013	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$1,265,721,000	\$1,122,922,000	\$142,799,000	12.72%	\$1,162,316,000	\$103,405,000	8.90%
Highway Fund	70,977,000	68,358,000	2,619,000	3.83%	68,835,000	2,142,000	3.11%
Sinking Fund	33,718,000	33,764,000	(46,000)	-0.14%	33,054,000	664,000	2.01%
City & County Fund	142,213,000	126,669,000	15,544,000	12.27%	120,034,000	22,179,000	18.48%
Earmarked Fund	2,899,000	2,900,000	(1,000)	-0.03%	2,175,000	724,000	33.29%
Total	\$1,515,528,000	\$1,354,613,000	\$160,915,000	11.88%	\$1,386,414,000	\$129,114,000	9.31%

Revenue Collections by Tax
April
2012-2013

Tax Source	2013				2012	2013	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$472,079,000	\$360,800,000	\$111,279,000	30.84%	\$377,900,000	\$94,179,000	24.92%
Income	221,381,000	174,794,000	46,587,000	26.65%	148,652,000	72,729,000	48.93%
Inheritance & Estate	5,197,000	7,507,000	(2,310,000)	-30.77%	54,905,000	(49,708,000)	-90.53%
Gasoline	54,182,000	51,573,000	2,609,000	5.06%	48,575,000	5,607,000	11.54%
Petroleum Special	5,460,000	5,465,000	(5,000)	-0.09%	5,224,000	236,000	4.52%
Tobacco	26,161,000	22,342,000	3,819,000	17.09%	22,693,000	3,468,000	15.28%
Beer	1,414,000	1,378,000	36,000	2.61%	1,336,000	78,000	5.84%
Motor Vehicle Registration	29,895,000	30,312,000	(417,000)	-1.38%	28,785,000	1,110,000	3.86%
Motor Vehicle Title	1,133,000	1,061,000	72,000	6.79%	1,210,000	(77,000)	-6.36%
Mixed Drink	6,550,000	5,596,000	954,000	17.05%	5,942,000	608,000	10.23%
Business	4,454,000	4,246,000	208,000	4.90%	4,529,000	(75,000)	-1.66%
Privilege	26,636,000	18,777,000	7,859,000	41.85%	18,969,000	7,667,000	40.42%
Gross Receipts	53,000	91,000	(38,000)	-41.76%	18,000	35,000	194.44%
TVA - In Lieu of Tax Payments	27,297,000	29,385,000	(2,088,000)	-7.11%	28,662,000	(1,365,000)	-4.76%
Alcoholic Beverage	4,599,000	4,587,000	12,000	0.26%	4,602,000	(3,000)	-0.07%
Sales and Use	613,604,000	619,400,000	(5,796,000)	-0.94%	617,909,000	(4,305,000)	-0.70%
Motor Vehicle Fuel	15,176,000	17,144,000	(1,968,000)	-11.48%	16,327,000	(1,151,000)	-7.05%
Severance	231,000	153,000	78,000	50.98%	173,000	58,000	33.53%
Coin-operated Amusement	26,000	2,000	24,000	1200.00%	3,000	23,000	766.67%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$1,515,528,000	\$1,354,613,000	\$160,915,000	11.88%	\$1,386,414,000	\$129,114,000	9.31%

Table 2
Revenue Collections by Fund
Year-to-Date
August - April
2012-2013

Fund	2012-2013				2011-2012	2012-2013	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$7,235,578,000	\$6,951,157,000	\$284,421,000	4.09%	\$6,951,343,000	\$284,235,000	4.09%
Highway Fund	514,427,000	519,365,000	(4,938,000)	-0.95%	511,427,000	3,000,000	0.59%
Sinking Fund	300,979,000	301,349,000	(370,000)	-0.12%	294,143,000	6,836,000	2.32%
City & County Fund	672,818,000	663,880,000	8,938,000	1.35%	651,506,000	21,312,000	3.27%
Earmarked Fund	26,101,000	26,101,000	0	0.00%	19,575,000	6,526,000	33.34%
Total	\$8,749,903,000	\$8,461,852,000	\$288,051,000	3.40%	\$8,427,994,000	\$321,909,000	3.82%

Revenue Collections by Tax
Year-to-Date
August - April
2012-2013

Tax Source	2012-2013				2011-2012	2012-2013	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$1,572,984,000	\$1,305,200,000	\$267,784,000	20.52%	\$1,386,810,000	\$186,174,000	13.42%
Income	255,944,000	206,613,000	49,331,000	23.88%	174,952,000	80,992,000	46.29%
Inheritance & Estate	72,160,000	61,696,000	10,464,000	16.96%	119,796,000	(47,636,000)	-39.76%
Gasoline	453,789,000	458,003,000	(4,214,000)	-0.92%	453,592,000	197,000	0.04%
Petroleum Special	46,519,000	47,914,000	(1,395,000)	-2.91%	46,876,000	(357,000)	-0.76%
Tobacco	204,353,000	211,259,000	(6,906,000)	-3.27%	204,751,000	(398,000)	-0.19%
Beer	13,194,000	13,111,000	83,000	0.63%	12,832,000	362,000	2.82%
Motor Vehicle Registration	192,162,000	193,265,000	(1,103,000)	-0.57%	185,436,000	6,726,000	3.63%
Motor Vehicle Title	8,488,000	8,733,000	(245,000)	-2.81%	8,856,000	(368,000)	-4.16%
Mixed Drink	51,161,000	47,148,000	4,013,000	8.51%	48,150,000	3,011,000	6.25%
Business	71,032,000	68,824,000	2,208,000	3.21%	66,996,000	4,036,000	6.02%
Privilege	174,546,000	148,864,000	25,682,000	17.25%	150,906,000	23,640,000	15.67%
Gross Receipts	11,265,000	13,885,000	(2,620,000)	-18.87%	16,176,000	(4,911,000)	-30.36%
TVA - In Lieu of Tax Payments	255,492,000	263,744,000	(8,252,000)	-3.13%	258,994,000	(3,502,000)	-1.35%
Alcoholic Beverage	38,997,000	38,098,000	899,000	2.36%	37,948,000	1,049,000	2.76%
Sales and Use	5,209,779,000	5,248,700,000	(38,921,000)	-0.74%	5,133,998,000	75,781,000	1.48%
Motor Vehicle Fuel	116,074,000	125,040,000	(8,966,000)	-7.17%	118,971,000	(2,897,000)	-2.44%
Severance	1,834,000	1,670,000	164,000	9.82%	1,892,000	(58,000)	-3.07%
Coin-operated Amusement	126,000	85,000	41,000	48.24%	81,000	45,000	55.56%
Unauthorized Substance	4,000	0	4,000	NA	(19,000)	23,000	NA
Total	\$8,749,903,000	\$8,461,852,000	\$288,051,000	3.40%	\$8,427,994,000	\$321,909,000	3.82%